

REFERENCE TITLE: schools; AIMS testing; elimination

State of Arizona
House of Representatives
Forty-eighth Legislature
First Regular Session
2007

HB 2746

Introduced by
Representative Konopnicki

AN ACT

AMENDING SECTIONS 8-521, 15-183, 15-241 AND 15-701.01, ARIZONA REVISED STATUTES; REPEALING SECTION 15-701.02, ARIZONA REVISED STATUTES; AMENDING SECTIONS 15-704, 15-741, 15-743, 15-746, 15-763, 15-809, 15-977 AND 43-1183, ARIZONA REVISED STATUTES; RELATING TO PUPIL ACHIEVEMENT TESTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 8-521, Arizona Revised Statutes, is amended to
3 read:

4 8-521. Independent living program: conditions: eligibility:
5 rules: case management unit: reports

6 A. The department or a licensed child welfare agency may establish an
7 independent living program for youths who are the subject of a dependency
8 petition or who are adjudicated dependent and are all of the following:

9 1. In the custody of the department, a licensed child welfare agency
10 or a tribal child welfare agency.

11 2. At least seventeen years of age.

12 3. Employed or full-time students.

13 B. The independent living program may consist of a residential program
14 of less than twenty-four hours' a day supervision for youths under the
15 supervision of the department through a licensed child welfare agency or a
16 foster home under contract with the department. Under the independent living
17 program the youth is not required to reside at a licensed child welfare
18 agency or foster home.

19 C. The director or the director's designee shall review and approve
20 any recommendation to the court that a youth in the custody of the department
21 be ordered to an independent living program.

22 D. For a youth to participate in an independent living program, the
23 court must order such a disposition pursuant to section 8-845.

24 E. The department, a licensed child welfare agency or a tribal child
25 welfare agency having custody of the youth shall provide the cost of care as
26 required by section 46-134 for each child placed in an independent living
27 program pursuant to this section, except that the monthly amount provided
28 shall not exceed the average monthly cost of purchased services for the child
29 in the three months immediately preceding placement in an independent living
30 program.

31 F. The department shall adopt rules pursuant to title 41, chapter 6 to
32 carry out this section.

33 G. The department shall provide quarterly progress reports to the
34 court and to local foster care review boards for each youth participating in
35 the independent living program.

36 H. The local foster care review boards shall review at least once
37 every six months the case of each youth participating in the independent
38 living program.

39 I. The department shall establish an educational case management unit
40 within the division consisting of two case managers to develop and coordinate
41 educational case management plans for youths participating in the independent
42 living program and to assist youths in the program to do the following:

43 1. Graduate from high school.

44 ~~2. Pass the Arizona instrument to measure standards test.~~

45 ~~3.~~ 2. Apply for postsecondary financial assistance.

~~4.~~ 3. Apply for postsecondary education.

J. The department shall prepare a report on or before March 1 of each year that contains the following information for the previous calendar year:

1. The number of children in the program.

2. The number of children in the program by age and grade.

3. The number of children in the program by county of residence.

4. The number of children in the program who graduated from high school.

5. The number of children in the program who received a general equivalency diploma.

6. The number of children in the program enrolled in postsecondary education.

K. The department shall submit a copy of the report prescribed in subsection J of this section to the governor, the president of the senate, the speaker of the house of representatives, the secretary of state and the director of the Arizona state library, archives and public records.

Sec. 2. Section 15-183, Arizona Revised Statutes, is amended to read:

15-183. Charter schools; application; requirements; immunity; exemptions; renewal of application; reprisal

A. An applicant seeking to establish a charter school shall submit a written application to a proposed sponsor as prescribed in subsection C of this section. The application shall include a detailed business plan for the charter school and may include a mission statement for the charter school, a description of the charter school's organizational structure and the governing body, a financial plan for the first three years of operation of the charter school, a description of the charter school's hiring policy, the name of the charter school's applicant or applicants and requested sponsor, a description of the charter school's facility and the location of the school, a description of the grades being served and an outline of criteria designed to measure the effectiveness of the school.

B. The sponsor of a charter school may contract with a public body, private person or private organization for the purpose of establishing a charter school pursuant to this article.

C. The sponsor of a charter school may be either a school district governing board, the state board of education or the state board for charter schools, subject to the following requirements:

1. For charter schools that submit an application for sponsorship to a school district governing board:

(a) An applicant for a charter school may submit its application to a school district governing board, which shall either accept or reject sponsorship of the charter school within ninety days. An applicant may submit a revised application for reconsideration by the governing board. If the governing board rejects the application, the governing board shall notify the applicant in writing of the reasons for the rejection. The applicant may

1 request, and the governing board may provide, technical assistance to improve
2 the application.

3 (b) In the first year that a school district is determined to be out
4 of compliance with the uniform system of financial records, within fifteen
5 days of the determination of noncompliance, the school district shall notify
6 by certified mail each charter school sponsored by the school district that
7 the school district is out of compliance with the uniform system of financial
8 records. The notification shall include a statement that if the school
9 district is determined to be out of compliance for a second consecutive year,
10 the charter school will be required to transfer sponsorship to another entity
11 pursuant to subdivision (c) of this paragraph.

12 (c) In the second consecutive year that a school district is
13 determined to be out of compliance with the uniform system of financial
14 records, within fifteen days of the determination of noncompliance, the
15 school district shall notify by certified mail each charter school sponsored
16 by the school district that the school district is out of compliance with the
17 uniform system of financial records. A charter school that receives a
18 notification of school district noncompliance pursuant to this subdivision
19 shall file a written sponsorship transfer application within forty-five days
20 with the state board of education, the state board for charter schools or the
21 school district governing board if the charter school is located within the
22 geographic boundaries of that school district. A charter school that
23 receives a notification of school district noncompliance may request an
24 extension of time to file a sponsorship transfer application and the state
25 board of education, the state board for charter schools or a school district
26 governing board may grant an extension of not more than an additional thirty
27 days if good cause exists for the extension. The state board of education
28 and the state board for charter schools shall approve a sponsorship transfer
29 application pursuant to this paragraph.

30 (d) Beginning July 1, 2000, a school district governing board shall
31 not grant a charter to a charter school that is located outside the
32 geographic boundaries of that school district.

33 (e) A school district that has been determined to be out of compliance
34 with the uniform system of financial records during either of the previous
35 two fiscal years shall not sponsor a new or transferring charter school.

36 2. The applicant may submit the application to the state board of
37 education or the state board for charter schools. The state board of
38 education or the state board for charter schools may approve the application
39 if the application meets the requirements of this article and may approve the
40 charter if the proposed sponsor determines, within its sole discretion, that
41 the applicant is sufficiently qualified to operate a charter school. The
42 state board of education or the state board for charter schools may approve
43 any charter schools transferring charters. The state board of education and
44 the state board for charter schools shall approve any charter schools
45 transferring charters from a school district that is determined to be out of

1 compliance with the uniform system of financial records pursuant to this
2 section, but may require the charter school to sign a new charter that is
3 equivalent to the charter awarded by the former sponsor. If the state board
4 of education or the state board for charter schools rejects the preliminary
5 application, the state board of education or the state board for charter
6 schools shall notify the applicant in writing of the reasons for the
7 rejection and of suggestions for improving the application. An applicant may
8 submit a revised application for reconsideration by the state board of
9 education or the state board for charter schools. The applicant may request,
10 and the state board of education or the state board for charter schools may
11 provide, technical assistance to improve the application.

12 3. Each applicant seeking to establish a charter school shall submit a
13 full set of fingerprints to the approving agency for the purpose of obtaining
14 a state and federal criminal records check pursuant to section 41-1750 and
15 Public Law 92-544. If an applicant will have direct contact with students,
16 the applicant shall possess a valid fingerprint clearance card that is issued
17 pursuant to title 41, chapter 12, article 3.1. The department of public
18 safety may exchange this fingerprint data with the federal bureau of
19 investigation. The criminal records check shall be completed before the
20 issuance of a charter.

21 4. All persons engaged in instructional work directly as a classroom,
22 laboratory or other teacher or indirectly as a supervisory teacher, speech
23 therapist or principal shall have a valid fingerprint clearance card that is
24 issued pursuant to title 41, chapter 12, article 3.1, unless the person is a
25 volunteer or guest speaker who is accompanied in the classroom by a person
26 with a valid fingerprint clearance card. A charter school shall not employ a
27 teacher whose certificate has been revoked for a violation of section 15-507
28 or 15-550 or for any offense that placed a pupil in danger. All other
29 personnel shall be fingerprint checked pursuant to section 15-512. Before
30 employment, the charter school shall make documented, good faith efforts to
31 contact previous employers of a person to obtain information and
32 recommendations that may be relevant to a person's fitness for employment as
33 prescribed in section 15-512, subsection F. The charter school shall notify
34 the department of public safety if the charter school or sponsor receives
35 credible evidence that a person who possesses a valid fingerprint clearance
36 card is arrested for or is charged with an offense listed in section
37 41-1758.03, subsection B. Charter schools may hire personnel that have not
38 yet received a fingerprint clearance card if proof is provided of the
39 submission of an application to the department of public safety for a
40 fingerprint clearance card and if the charter school that is seeking to hire
41 the applicant does all of the following:

42 (a) Documents in the applicant's file the necessity for hiring and
43 placement of the applicant before receiving a fingerprint clearance card.

44 (b) Ensures that the department of public safety completes a statewide
45 criminal history information check on the applicant. A statewide criminal

1 history information check shall be completed by the department of public
2 safety every one hundred twenty days until the date that the fingerprint
3 check is completed.

4 (c) Obtains references from the applicant's current employer and the
5 two most recent previous employers except for applicants who have been
6 employed for at least five years by the applicant's most recent employer.

7 (d) Provides general supervision of the applicant until the date that
8 the fingerprint card is obtained.

9 (e) Completes a search of criminal records in all local jurisdictions
10 outside of this state in which the applicant has lived in the previous five
11 years.

12 (f) Verifies the fingerprint status of the applicant with the
13 department of public safety.

14 5. If a charter school operator is not already subject to a public
15 meeting or hearing by the municipality in which the charter school is
16 located, the operator of a charter school shall conduct a public meeting at
17 least thirty days before the charter school operator opens a site or sites
18 for the charter school. The charter school operator shall post notices of
19 the public meeting in at least three different locations that are within
20 three hundred feet of the proposed charter school site.

21 D. A board that is authorized to sponsor charter schools pursuant to
22 this article has no legal authority over or responsibility for a charter
23 school sponsored by a different board. This subsection does not apply to the
24 state board of education's duty to exercise general supervision over the
25 public school system pursuant to section 15-203, subsection A, paragraph 1.

26 E. The charter of a charter school shall ensure the following:

27 1. Compliance with federal, state and local rules, regulations and
28 statutes relating to health, safety, civil rights and insurance. The
29 department of education shall publish a list of relevant rules, regulations
30 and statutes to notify charter schools of their responsibilities under this
31 paragraph.

32 2. That it is nonsectarian in its programs, admission policies and
33 employment practices and all other operations.

34 3. That it provides a comprehensive program of instruction for at
35 least a kindergarten program or any grade between grades one and twelve,
36 except that a school may offer this curriculum with an emphasis on a specific
37 learning philosophy or style or certain subject areas such as mathematics,
38 science, fine arts, performance arts or foreign language.

39 4. That it designs a method to measure pupil progress, toward the
40 pupil outcomes adopted by the state board of education pursuant to section
41 15-741.01, including participation in ~~the Arizona instrument to measure~~
42 ~~standards test and~~ the nationally standardized norm-referenced achievement
43 test as designated by the state board and the completion and distribution of
44 an annual report card as prescribed in chapter 7, article 3 of this title.

1 5. That, except as provided in this article and in its charter, it is
2 exempt from all statutes and rules relating to schools, governing boards and
3 school districts.

4 6. That, except as provided in this article, it is subject to the same
5 financial and electronic data submission requirements as a school district,
6 including the uniform system of financial records as prescribed in chapter 2,
7 article 4 of this title, procurement rules as prescribed in section 15-213
8 and audit requirements. The auditor general shall conduct a comprehensive
9 review and revision of the uniform system of financial records to ensure that
10 the provisions of the uniform system of financial records that relate to
11 charter schools are in accordance with commonly accepted accounting
12 principles used by private business. A school's charter may include
13 exceptions to the requirements of this paragraph that are necessary as
14 determined by the district governing board, the state board of education or
15 the state board for charter schools. The department of education or the
16 office of the auditor general may conduct financial, program or compliance
17 audits.

18 7. Compliance with all federal and state laws relating to the
19 education of children with disabilities in the same manner as a school
20 district.

21 8. That it provides for a governing body for the charter school that
22 is responsible for the policy decisions of the charter school.

23 9. That it provides a minimum of one hundred seventy-five
24 instructional days before June 30 of each fiscal year unless it is operating
25 on an alternative calendar approved by its sponsor. The superintendent of
26 public instruction shall adjust the apportionment schedule accordingly to
27 accommodate a charter school utilizing an alternative calendar.

28 F. The charter of a charter school shall include a description of the
29 charter school's personnel policies, personnel qualifications and method of
30 school governance and the specific role and duties of the sponsor of the
31 charter school. A charter school shall keep on file the resumes of all
32 current and former employees who provide instruction to pupils at the charter
33 school. Resumes shall include an individual's educational and teaching
34 background and experience in a particular academic content subject area. A
35 charter school shall inform parents and guardians of the availability of the
36 resume information and shall make the resume information available for
37 inspection on request of parents and guardians of pupils enrolled at the
38 charter school. Nothing in this subsection shall be construed to require any
39 charter school to release personally identifiable information in relation to
40 any teacher or employee including the teacher's or employee's address,
41 salary, social security number or telephone number.

42 G. The charter of a charter school may be amended at the request of
43 the governing body of the charter school and on the approval of the sponsor.

44 H. Charter schools may contract, sue and be sued.

1 I. An approved plan to establish a charter school is effective for
2 fifteen years from the first day of operation. At the conclusion of the
3 first fourteen years of operation, the charter school may apply for renewal.
4 In addition to any other requirements, the application for renewal shall
5 include a detailed business plan for the charter school. The sponsor may
6 deny the request for renewal if, in its judgment, the charter school has
7 failed to complete the obligations of the contract or has failed to comply
8 with this article. A sponsor shall give written notice of its intent not to
9 renew the charter school's request for renewal to the charter school at least
10 twelve months before the expiration of the approved plan to allow the charter
11 school an opportunity to apply to another sponsor to transfer the operation
12 of the charter school. If the operation of the charter school is transferred
13 to another sponsor, the fifteen year period of the current charter shall be
14 maintained. A sponsor shall review a charter at five year intervals and may
15 revoke a charter at any time if the charter school breaches one or more
16 provisions of its charter. At least ninety days before the effective date of
17 the proposed revocation the sponsor shall give written notice to the operator
18 of the charter school of its intent to revoke the charter. Notice of the
19 sponsor's intent to revoke the charter shall be delivered personally to the
20 operator of the charter school or sent by certified mail, return receipt
21 requested, to the address of the charter school. The notice shall
22 incorporate a statement of reasons for the proposed revocation of the
23 charter. The sponsor shall allow the charter school at least ninety days to
24 correct the problems associated with the reasons for the proposed revocation
25 of the charter. The final determination of whether to revoke the charter
26 shall be made at a public hearing called for such purpose.

27 J. After renewal of the charter at the end of the fifteen year period
28 described in subsection I of this section, the charter may be renewed for
29 successive periods of fifteen years if the charter school and its sponsor
30 deem that the school is in compliance with its own charter and this article.

31 K. A charter school that is sponsored by the state board of education
32 or the state board for charter schools may not be located on the property of
33 a school district unless the district governing board grants this authority.

34 L. A governing board or a school district employee who has control
35 over personnel actions shall not take unlawful reprisal against another
36 employee of the school district because the employee is directly or
37 indirectly involved in an application to establish a charter school. A
38 governing board or a school district employee shall not take unlawful
39 reprisal against an educational program of the school or the school district
40 because an application to establish a charter school proposes the conversion
41 of all or a portion of the educational program to a charter school. ~~As-used~~
42 ~~in~~ FOR THE PURPOSES OF this subsection, "unlawful reprisal" means an action
43 that is taken by a governing board or a school district employee as a direct
44 result of a lawful application to establish a charter school and that is
45 adverse to another employee or an education program and:

1 1. With respect to a school district employee, results in one or more
2 of the following:

- 3 (a) Disciplinary or corrective action.
- 4 (b) Detail, transfer or reassignment.
- 5 (c) Suspension, demotion or dismissal.
- 6 (d) An unfavorable performance evaluation.
- 7 (e) A reduction in pay, benefits or awards.
- 8 (f) Elimination of the employee's position without a reduction in
9 force by reason of lack of monies or work.
- 10 (g) Other significant changes in duties or responsibilities that are
11 inconsistent with the employee's salary or employment classification.

12 2. With respect to an educational program, results in one or more of
13 the following:

- 14 (a) Suspension or termination of the program.
- 15 (b) Transfer or reassignment of the program to a less favorable
16 department.
- 17 (c) Relocation of the program to a less favorable site within the
18 school or school district.

19 (d) Significant reduction or termination of funding for the program.
20 M. Charter schools shall secure insurance for liability and property
21 loss. The governing body of a charter school that is sponsored by the state
22 board of education or the state board for charter schools may enter into an
23 intergovernmental agreement or otherwise contract to participate in an
24 insurance program offered by a risk retention pool established pursuant to
25 section 11-952.01 or 41-621.01 or the charter school may secure its own
26 insurance coverage. The pool may charge the requesting charter school
27 reasonable fees for any services it performs in connection with the insurance
28 program.

29 N. Charter schools do not have the authority to acquire property by
30 eminent domain.

31 O. A sponsor, including members, officers and employees of the
32 sponsor, is immune from personal liability for all acts done and actions
33 taken in good faith within the scope of its authority.

34 P. Charter school sponsors and this state are not liable for the debts
35 or financial obligations of a charter school or persons who operate charter
36 schools.

37 Q. The sponsor of a charter school shall establish procedures to
38 conduct administrative hearings on determination by the sponsor that grounds
39 exist to revoke a charter. Procedures for administrative hearings shall be
40 similar to procedures prescribed for adjudicative proceedings in title 41,
41 chapter 6, article 10. Except as provided in section 41-1092.08, subsection
42 H, final decisions of the state board of education and the state board for
43 charter schools from hearings conducted pursuant to this subsection are
44 subject to judicial review pursuant to title 12, chapter 7, article 6.

1 R. The sponsoring entity of a charter school shall have oversight and
2 administrative responsibility for the charter schools that it sponsors.

3 S. Charter schools may pledge, assign or encumber their assets to be
4 used as collateral for loans or extensions of credit.

5 T. All property accumulated by a charter school shall remain the
6 property of the charter school.

7 U. Charter schools may not locate a school on property that is less
8 than one-fourth mile from agricultural land regulated pursuant to section
9 3-365, except that the owner of the agricultural land may agree to comply
10 with the buffer zone requirements of section 3-365. If the owner agrees in
11 writing to comply with the buffer zone requirements and records the agreement
12 in the office of the county recorder as a restrictive covenant running with
13 the title to the land, the charter school may locate a school within the
14 affected buffer zone. The agreement may include any stipulations regarding
15 the charter school, including conditions for future expansion of the school
16 and changes in the operational status of the school that will result in a
17 breach of the agreement.

18 V. A transfer of a charter to another sponsor, a transfer of a charter
19 school site to another sponsor or a transfer of a charter school site to a
20 different charter shall be completed before the beginning of the fiscal year
21 that the transfer is scheduled to become effective. An entity that sponsors
22 charter schools may accept a transferring school after the beginning of the
23 fiscal year if the transfer is approved by the superintendent of public
24 instruction. The superintendent of public instruction shall have the
25 discretion to consider each transfer during the fiscal year on a case by case
26 basis. If a charter school is sponsored by a school district that is
27 determined to be out of compliance with this title, the uniform system of
28 financial records or any other state or federal law, the charter school may
29 transfer to another sponsoring entity at any time during the fiscal year.

30 W. The sponsoring entity may not charge any fees to a charter school
31 that it sponsors unless the sponsor has provided services to the charter
32 school and the fees represent the full value of those services provided by
33 the sponsor. On request, the value of the services provided by the sponsor
34 to the charter school shall be demonstrated to the department of education.

35 Sec. 3. Section 15-241, Arizona Revised Statutes, is amended to read:

36 15-241. School accountability; schools failing to meet academic
37 standards; failing schools tutoring fund

38 A. The department of education shall compile an annual achievement
39 profile for each public school.

40 B. Each school shall submit to the department any data that is
41 required and requested and that is necessary to compile the achievement
42 profile. A school that fails to submit the information that is necessary is
43 not eligible to receive monies from the classroom site fund established by
44 section 15-977.

1 C. The department shall establish a baseline achievement profile for
2 each school by October 15, 2001. The baseline achievement profile shall be
3 used to determine a standard measurement of acceptable academic progress for
4 each school and a school classification pursuant to subsection G of this
5 section. Any disclosure of educational records compiled by the department of
6 education pursuant to this section shall comply with the family educational
7 and privacy rights act of 1974 (20 United States Code section 1232g).

8 D. The achievement profile for schools that offer instruction in
9 kindergarten programs and grades one through eight, or any combination of
10 those programs or grades, shall include the following school academic
11 performance indicators:

12 1. The Arizona measure of academic progress. The department shall
13 compute the extent of academic progress made by the pupils in each school
14 during the course of each year.

15 ~~2. The Arizona instrument to measure standards test. The department~~
16 ~~shall compute the percentage of pupils who meet or exceed the standard on the~~
17 ~~Arizona instrument to measure standards test, as prescribed by the state~~
18 ~~board of education.~~

19 ~~3.~~ 2. The results of English language learners tests administered
20 pursuant to section 15-756, subsection B, section 15-756.05 and section
21 15-756.06.

22 E. The achievement profile for schools that offer instruction in
23 grades nine through twelve, or any combination of those grades, shall include
24 the following school academic performance indicators:

25 ~~1. The Arizona instrument to measure standards test. The department~~
26 ~~shall compute the percentage of pupils pursuant to subsection F of this~~
27 ~~section who meet or exceed the standard on the Arizona instrument to measure~~
28 ~~standards test, as prescribed by the state board of education.~~

29 ~~2.~~ 1. The annual dropout rate.

30 ~~3.~~ 2. The annual graduation rate.

31 ~~4.~~ 3. The results of English language learners tests administered
32 pursuant to section 15-756, subsection B, section 15-756.05 and section
33 15-756.06.

34 F. Subject to final adoption by the state board of education, the
35 department shall determine the criteria for each school classification using
36 a research based methodology. The methodology shall include the performance
37 of pupils at all achievement levels, account for pupil mobility, account for
38 the distribution of pupil achievement at each school and include longitudinal
39 indicators of academic performance. For the purposes of this subsection,
40 "research based methodology" means the systematic and objective application
41 of statistical and quantitative research principles to determine a standard
42 measurement of acceptable academic progress for each school.

43 G. The achievement profile shall be used to determine a school
44 classification that designates each school as one of the following:

45 1. An excelling school.

1 2. A highly performing school.

2 3. A performing school.

3 4. An underperforming school.

4 5. A school failing to meet academic standards.

5 H. The classification for each school and the criteria used to
6 determine classification pursuant to subsection F of this section shall be
7 included on the school report card prescribed in section 15-746.

8 I. Subject to final adoption by the state board of education, the
9 department of education shall develop a parallel achievement profile for
10 accommodation schools, alternative schools as defined by the state board of
11 education and schools with a student count of fewer than one hundred pupils.

12 J. If a school is designated as an underperforming school, within
13 ninety days after receiving notice of the designation, the governing board
14 shall develop an improvement plan for the school, submit a copy of the plan
15 to the superintendent of public instruction and supervise the implementation
16 of the plan. The plan shall include necessary components as identified by
17 the state board of education. Within thirty days after submitting the
18 improvement plan to the superintendent of public instruction, the governing
19 board shall hold a special public meeting in each school that has been
20 designated as an underperforming school and shall present the respective
21 improvement plans that have been developed for each school. The school
22 district governing board, within thirty days of receiving notice of the
23 designation, shall provide written notification of the classification to each
24 residence within the attendance area of the school. The notice shall explain
25 the improvement plan process and provide information regarding the public
26 meeting required by this subsection.

27 K. A school that has not submitted an improvement plan pursuant to
28 subsection J of this section is not eligible to receive monies from the
29 classroom site fund established by section 15-977 for every day that a plan
30 has not been received by the superintendent of public instruction within the
31 time specified in subsection J of this section plus an additional ninety
32 days. The state board of education shall require the superintendent of the
33 school district to testify before the board and explain the reasons that an
34 improvement plan for that school has not been submitted.

35 L. If a charter school is designated as an underperforming school,
36 within thirty days the school shall notify the parents of the students
37 attending the school of the classification. The notice shall explain the
38 improvement plan process and provide information regarding the public meeting
39 required by this subsection. Within ninety days of receiving the
40 classification, the charter holder shall present an improvement plan to the
41 charter sponsor at a public meeting and submit a copy of the plan to the
42 superintendent of public instruction. The improvement plan shall include
43 necessary components as identified by the state board of education. For
44 every day that an improvement plan is not received by the superintendent of
45 public instruction, the school is not eligible to receive monies from the

1 classroom site fund established by section 15-977 for every day that a plan
2 has not been received by the superintendent of public instruction within the
3 time specified in subsection J of this section plus an additional ninety
4 days. The charter holder shall appear before the sponsoring board and
5 explain why the improvement plan has not been submitted.

6 M. The department of education shall establish an appeals process, to
7 be approved by the state board of education, for a school to appeal data used
8 to determine the achievement profile of the school. The criteria established
9 shall be based on mitigating factors and may include a visit to the school
10 site by the department of education.

11 N. If a school remains classified as an underperforming school for a
12 third consecutive year, the department of education shall visit the school
13 site to confirm the classification data and to review the implementation of
14 the school's improvement plan. The school shall be classified as failing to
15 meet academic standards unless an alternate classification is made after an
16 appeal pursuant to subsection M of this section.

17 O. The school district governing board, within thirty days of
18 receiving notice of the school failing to meet academic standards
19 classification, shall provide written notification of the classification to
20 each residence in the attendance area of the school. The notice shall
21 explain the improvement plan process and provide information regarding the
22 public meeting required by subsection R of this section.

23 P. The superintendent of public instruction, based on need, shall
24 assign a solutions team to an underperforming school, a school failing to
25 meet academic standards or any other school pursuant to a mutual agreement
26 between the department of education and the school comprised of master
27 teachers, fiscal analysts and curriculum assessment experts who are certified
28 by the state board of education as Arizona academic standards technicians.
29 The department of education may hire or contract with administrators,
30 principals and teachers who have demonstrated experience with the
31 characteristics and situations in an underperforming school or a school
32 failing to meet academic standards and may use these personnel as part of the
33 solutions team. The department of education shall work with staff at the
34 school to assist in curricula alignment and shall instruct teachers on how to
35 increase pupil academic progress, considering the school's achievement
36 profile. The solutions team shall consider the existing improvement plan to
37 assess the need for changes to curriculum, professional development and
38 resource allocation and shall present a statement of its findings to the
39 school administrator and district superintendent. Within forty-five days
40 after the presentation of the solutions team's statement of findings, the
41 school district governing board, in cooperation with each school within the
42 school district that is designated an underperforming school and its assigned
43 solutions team representative, shall develop and submit to the department of
44 education an action plan that details the manner in which the school district
45 will assist the school as the school incorporates the findings of the

1 solutions team into the improvement plan. The department of education shall
2 review the action plan and shall either accept the action plan or return the
3 action plan to the school district for modification. If the school district
4 does not submit an approved action plan within forty-five days, the state
5 board of education may direct the superintendent of public instruction to
6 withhold up to ten per cent of state monies that the school district would
7 otherwise be entitled to receive each month until the plan is submitted to
8 the department of education, at which time those monies shall be returned to
9 the school district.

10 Q. The parent or the guardian of the pupil may apply to the department
11 of education, in a manner determined by the department of education, for a
12 certificate of supplemental instruction from the failing schools tutoring
13 fund established by this section. Pupils attending a school designated as an
14 underperforming school or a school failing to meet academic standards ~~or a~~
15 ~~pupil who has failed to pass one or more portions of the Arizona instrument~~
16 ~~to measure standards test in grades eight through twelve in order to graduate~~
17 ~~from high school~~ may select an alternative tutoring program in academic
18 standards from a provider that is certified by the state board of education.
19 To qualify, the provider must state in writing a level of academic
20 improvement for the pupil that includes a timeline for improvement that is
21 agreed to by the parent or guardian of the pupil. The state board of
22 education shall annually review academic performance levels for providers
23 certified pursuant to this subsection and may remove a provider at a public
24 hearing from an approved list of providers if that provider fails to meet its
25 stated level of academic improvement. The state board of education shall
26 determine the application guidelines and the maximum value for each
27 certificate of supplemental instruction. The state board of education shall
28 annually complete a market survey in order to determine the maximum value for
29 each certificate of supplemental instruction. Nothing in this subsection
30 shall be construed to require the state to provide additional monies beyond
31 the monies provided pursuant to section 42-5029, subsection E, paragraph 7.

32 R. Within sixty days of receiving notification of designation as a
33 school failing to meet academic standards, the school district governing
34 board shall evaluate needed changes to the existing improvement plan for the
35 school, consider recommendations from the solutions team, submit a copy of
36 the plan to the superintendent of public instruction and supervise the
37 implementation of the plan. Within thirty days after submitting the
38 improvement plan to the superintendent of public instruction, the governing
39 board shall hold a public meeting in each school that has been designated as
40 a school failing to meet academic standards and shall present the respective
41 improvement plans that have been developed for each school.

42 S. A school that has not submitted an improvement plan pursuant to
43 subsection R of this section is not eligible to receive monies from the
44 classroom site fund established by section 15-977 for every day that a plan
45 has not been received by the superintendent of public instruction within the

1 time specified in subsection R of this section plus an additional ninety
2 days. The state board of education shall require the superintendent of the
3 school district to testify before the board and explain the reasons that an
4 improvement plan for that school has not been submitted.

5 T. If a charter school is designated as a school failing to meet
6 academic standards, the department of education shall immediately notify the
7 charter school's sponsor. The charter school's sponsor shall either take
8 action to restore the charter school to acceptable performance or revoke the
9 charter school's charter. Within thirty days the school shall notify the
10 parents of the students attending the school of the classification and of any
11 pending public meetings to review the issue.

12 U. A school that has been designated as a school failing to meet
13 academic standards shall be evaluated by the department of education to
14 determine if the school failed to properly implement its school improvement
15 plan, align the curriculum with academic standards, provide teacher training,
16 prioritize the budget or implement other proven strategies to improve
17 academic performance. After visiting the school site pursuant to subsection
18 N of this section, the department of education shall submit to the state
19 board of education a recommendation to proceed pursuant to subsections P, Q
20 and R of this section or that the school be subject to a public hearing to
21 determine if the school failed to properly implement its improvement plan and
22 the reasons for the department's recommendation.

23 V. If the department does recommend a public hearing, the state board
24 of education shall meet and may provide by a majority vote at the public
25 hearing for the continued operation of the school as allowed by this
26 subsection. The state board of education shall determine whether
27 governmental, nonprofit and private organizations may submit applications to
28 the state board to fully or partially manage the school. The state board's
29 determination shall include:

30 1. If and to what extent the local governing board may participate in
31 the operation of the school including personnel matters.

32 2. If and to what extent the state board of education shall
33 participate in the operation of the school.

34 3. Resource allocation pursuant to subsection X of this section.

35 4. Provisions for the development and submittal of a school
36 improvement plan to be presented in a public meeting at the school.

37 5. A suggested time frame for the alternative operation of the school.

38 W. The state board shall periodically review the status of a school
39 that is operated by an organization other than the school district governing
40 board to determine whether the operation of the school should be returned to
41 the school district governing board. Before the state board makes a
42 determination, the state board or its designee shall meet with the school
43 district governing board or its designee to determine the time frame,
44 operational considerations and the appropriate continuation of existing

1 improvements that are necessary to assure a smooth transition of authority
2 from the other organization back to the school district governing board.

3 X. If an alternative operation plan is provided pursuant to subsection
4 V of this section, the state board of education shall pay for the operation
5 of the school and shall adjust the school district's student count pursuant
6 to section 15-902, soft capital allocation pursuant to section 15-962,
7 capital outlay revenue limit pursuant to section 15-961, base support level
8 pursuant to section 15-943, monies distributed from the classroom site fund
9 established by section 15-977 and transportation support level pursuant to
10 section 15-945 to accurately reflect any reduction in district services that
11 are no longer provided to that school by the district. The state board of
12 education may modify the school district's revenue control limit, the
13 district support level and the general budget limit calculated pursuant to
14 section 15-947 by an amount that corresponds to this reduction in services.
15 The state board of education shall retain the portion of state aid that would
16 otherwise be due the school district for the school and shall distribute that
17 portion of state aid directly to the organization that contracts with the
18 state board of education to operate the school.

19 Y. If the state board of education determines that a charter school
20 failed to properly implement its improvement plan, the sponsor of the charter
21 school shall revoke the charter school's charter.

22 Z. If there are more than two schools in a district and more than
23 one-half, or in any case more than five, of the schools in the district are
24 designated as schools failing to meet academic standards for more than two
25 consecutive years, in the next election of members of the governing board the
26 election ballot shall contain the following statement immediately above the
27 listing of governing board candidates:

28 Within the last five years, (number of schools) schools in the
29 _____ school district have been designated as "schools
30 failing to meet academic standards" by the superintendent of
31 public instruction.

32 AA. At least twice each year the department of education shall publish
33 in a newspaper of general circulation in each county of this state a list of
34 schools that are designated as schools failing to meet academic standards.

35 BB. The failing schools tutoring fund is established consisting of
36 monies collected pursuant to section 42-5029, subsection E as designated for
37 this purpose. The department of education shall administer the fund. The
38 department of education may use monies from the fund to purchase materials
39 designed to assist students to meet the Arizona academic standards ~~and to~~
40 ~~achieve a passing score on the Arizona instrument to measure standards test~~
41 ~~in order to graduate from high school.~~

1 Sec. 4. Section 15-701.01, Arizona Revised Statutes, is amended to
2 read:

3 15-701.01. High school; graduation; requirements; community
4 college or university courses; transfer from
5 private schools; academic credit

6 A. The state board of education shall:

7 1. Prescribe a minimum course of study, as defined in section 15-101
8 and incorporating the academic standards adopted by the state board of
9 education, for the graduation of pupils from high school.

10 2. Prescribe competency requirements for the graduation of pupils from
11 high school incorporating the academic standards in at least the areas of
12 reading, writing, mathematics, science and social studies.

13 ~~3. Develop and adopt competency tests pursuant to section 15-741 for~~
14 ~~the graduation of pupils from high school in at least the areas of reading,~~
15 ~~writing and mathematics and shall establish passing scores for each such~~
16 ~~test. A pupil not successfully passing the required competency test shall~~
17 ~~graduate from high school with a recognized diploma if the pupil meets the~~
18 ~~alternative graduation requirements established by section 15-701.02. A~~
19 ~~pupil shall not be required to pass the competency test required in this~~
20 ~~paragraph to graduate from high school if the pupil transfers into the~~
21 ~~district from out-of-state and has successfully passed a statewide assessment~~
22 ~~test on state adopted standards that are substantially equivalent to the~~
23 ~~state board adopted academic standards. If the state board of education~~
24 ~~adopts a competency test as a graduation requirement for a child with a~~
25 ~~disability as defined in section 15-761 or a child who receives special~~
26 ~~education pursuant to section 15-763, pupils with individualized education~~
27 ~~programs shall not be required to achieve passing scores on competency tests~~
28 ~~in order to graduate from high school unless the pupil is learning at a level~~
29 ~~appropriate for the pupil's grade level in a specific academic area and~~
30 ~~unless passing scores on a competency test is specifically required in a~~
31 ~~specific academic area by the pupil's individualized education program as~~
32 ~~mutually agreed on by the pupil's parents and the pupil's individualized~~
33 ~~education program team or the pupil, if the pupil is at least eighteen years~~
34 ~~of age. These competency tests shall be administered to pupils in a manner~~
35 ~~prescribed in the pupil's individualized education program and school~~
36 ~~districts and charter schools shall make specific and appropriate~~
37 ~~accommodations for pupils with individualized education programs. Pupils~~
38 ~~with section 504 plans as defined in section 15-731 shall not be required to~~
39 ~~achieve passing scores on competency tests in order to graduate from high~~
40 ~~school unless the pupil is learning at a level appropriate for the pupil's~~
41 ~~grade level in a specific academic area and unless passing scores on a~~
42 ~~competency test is specifically required in a specific academic area by the~~
43 ~~pupil's section 504 plan that is developed in consultation with the pupil's~~
44 ~~parents. These competency tests shall be administered to pupils in a manner~~
45 ~~prescribed in the pupil's section 504 plan and school districts and charter~~

~~schools shall make specific and appropriate accommodations for pupils with a section 504 plan. A pupil with an individualized education program or a section 504 plan who graduates from high school but who is not required to achieve a passing score on a competency test in order to graduate from high school shall receive the standard diploma issued by the school district or charter school.~~

B. The governing board of a school district shall:

1. Prescribe curricula that include the academic standards in the required subject areas pursuant to subsection A, paragraph 1 of this section.

2. Prescribe criteria for the graduation of pupils from the high schools in the school district. These criteria shall include accomplishment of the academic standards in at least reading, writing, mathematics, science and social studies, as determined by district assessment. Other criteria may include additional measures of academic achievement and attendance.

C. The governing board may prescribe the course of study and competency requirements for the graduation of pupils from high school which are in addition to or higher than the course of study and competency requirements which the state board prescribes.

D. The governing board may prescribe competency requirements for the passage of pupils in courses which are required for graduation from high school.

E. A teacher shall determine whether to pass or fail a pupil in a course in high school as provided in section 15-521, paragraph 3 on the basis of the competency requirements, if any have been prescribed. The governing board, if it reviews the decision of a teacher to pass or fail a pupil in a course in high school as provided in section 15-342, paragraph 11, shall base its decision on the competency requirements, if any have been prescribed.

F. Graduation requirements established by the governing board may be met by a pupil who passes courses in the required or elective subjects at a community college or university, if the course is at a higher level than the course taught in the high school attended by the pupil or, if the course is not taught in the high school, the level of the course is equal to or higher than the level of a high school course. The governing board shall determine if the subject matter of the community college or university course is appropriate to the specific requirement the pupil intends it to fulfill and if the level of the community college or university course is less than, equal to or higher than a high school course, and the governing board shall award one-half of a carnegie unit for each three semester hours of credit the pupil earns in an appropriate community college or university course. If a pupil is not satisfied with the decision of the governing board regarding the amount of credit granted or the subjects for which credit is granted, the pupil may request that the state board of education review the decision of the governing board, and the state board shall make the final determination of the amount of credit to be given the pupil and for which subjects. The governing board shall not limit the number of credits that is required for

1 high school graduation and that may be met by taking community college or
2 university courses. For the purposes of this subsection:

3 1. "Community college" means an educational institution that is
4 operated by a community college district as defined in section 15-1401 or a
5 postsecondary educational institution under the jurisdiction of an Indian
6 tribe recognized by the United States department of the interior.

7 2. "University" means a university under the jurisdiction of the
8 Arizona board of regents.

9 G. A pupil who transfers from a private school shall be provided with
10 a list that indicates those credits that have been accepted and denied by the
11 school district. A pupil may request to take an examination in each
12 particular course in which credit has been denied. The school district shall
13 accept the credit for each particular course in which the pupil takes an
14 examination and receives a passing score on a test designed and evaluated by
15 a teacher in the school district who teaches the subject matter on which the
16 examination is based. In addition to the above requirements, the governing
17 board of a school district may prescribe requirements for the acceptance of
18 the credits of pupils who transfer from a private school.

19 H. The state board of education shall adopt rules to allow high school
20 pupils who can demonstrate competency in a particular academic course or
21 subject to obtain academic credit for the course or subject without enrolling
22 in the course or subject.

23 Sec. 5. Repeal

24 Section 15-701.02, Arizona Revised Statutes, is repealed.

25 Sec. 6. Section 15-704, Arizona Revised Statutes, is amended to read:

26 15-704. Reading proficiency: definitions

27 A. Each school district or charter school that provides instruction in
28 kindergarten programs and grades one through three shall select and
29 administer screening, ongoing diagnostic and classroom based instructional
30 reading assessments, including a motivational assessment, as defined by the
31 state board of education, to monitor student progress. Each school shall use
32 the diagnostic information to plan appropriate and effective intervention.

33 B. Each school district or charter school that provides instruction
34 for pupils in kindergarten programs and grades one through three shall
35 conduct a curriculum evaluation and adopt a scientifically based reading
36 curriculum that includes the essential components of reading
37 instruction. All school districts and charter schools that offer instruction
38 in kindergarten programs and grades one through three shall provide ongoing
39 teacher training based on scientifically based reading research.

40 C. Each school district or charter school that provides instruction in
41 kindergarten programs and grades one through three shall devote reasonable
42 amounts of time to explicit instruction and independent reading in grades one
43 through three.

44 D. A pupil in grade three who does not meet or exceed the reading
45 standards ~~measured by the Arizona instrument to measure standards test~~

1 ~~administered pursuant to section 15-741~~ PRESCRIBED BY THE STATE BOARD OF
2 EDUCATION shall be provided intensive reading instruction as defined by the
3 state board of education until the pupil meets these standards.

4 E. The governing board of each school district and the governing body
5 of each charter school shall determine the percentage of pupils at each
6 school in grade three who do not meet the reading standards prescribed by the
7 state board of education ~~and measured by the Arizona instrument to measure~~
8 ~~standards test administered pursuant to section 15-741~~. If more than twenty
9 per cent of students in grade three at either the individual school level or
10 at the school district level do not meet the standards, the governing board
11 or governing body shall conduct a review of its reading program that includes
12 curriculum and professional development in light of current, scientifically
13 based reading research.

14 F. Based on the review required in subsection E of this section, the
15 governing board or governing body and the school principal of each school
16 that does not meet the reading standards, in conjunction with school council
17 members, if applicable, shall develop methods of best practices for teaching
18 reading based on essential components of reading instruction and supported by
19 scientifically based reading research. These methods shall be adopted at a
20 public meeting and shall be implemented the following academic year.

21 G. Subsections E and F of this section shall be coordinated with
22 efforts to develop and implement an improvement plan if required pursuant to
23 section 15-241.

24 H. For the purposes of this section:

25 1. "Essential components of reading instruction" means explicit and
26 systematic instruction in the following:

- 27 (a) Phonemic awareness.
- 28 (b) Phonics.
- 29 (c) Vocabulary development.
- 30 (d) Reading fluency.
- 31 (e) Reading comprehension.

32 2. "Reading" means a complex system of deriving meaning from print
33 that requires all of the following:

- 34 (a) The skills and knowledge to understand how phonemes or speech
35 sounds are connected to print.
- 36 (b) The ability to decode unfamiliar words.
- 37 (c) The ability to read fluently.
- 38 (d) Sufficient background information and vocabulary to foster reading
39 comprehension.
- 40 (e) The development of appropriate active strategies to construct
41 meaning from print.

42 (f) The development and maintenance of a motivation to read.

43 3. "Scientifically based reading research" means research that meets
44 all of the following:

(a) Applies rigorous, systematic and objective procedures to obtain valid knowledge relevant to reading development, reading instruction and reading difficulties.

(b) Employs systematic empirical methods that draw on observation or experiment.

(c) Involves rigorous data analyses that are adequate to test the stated hypotheses and justify the general conclusions drawn.

(d) Relies on measurements or observational methods that provide valid data across evaluators and observers and across multiple measurements and observations.

(e) Has been accepted by a peer reviewed journal or approved by a panel of independent experts through a comparably rigorous, objective and scientific review.

(f) Contains all of the elements of the essential components of reading instruction.

Sec. 7. Section 15-741, Arizona Revised Statutes, is amended to read:

~~15-741.~~ Assessment of pupils

A. The state board of education shall:

1. Adopt rules for purposes of this article pursuant to title 41, chapter 6.

~~2. Adopt and implement an Arizona instrument to measure standards test to measure pupil achievement of the state board adopted academic standards in reading, writing and mathematics in at least four grades designated by the board. The board shall determine the manner of implementation. The board may administer assessments of the academic standards in social studies and science. Prior to the administration of the tests to pupils and following the statewide piloting of the tests, the board shall approve, at a public meeting, the Arizona instrument to measure standards test.~~

~~3.~~ 2. Adopt and implement a statewide nationally standardized norm-referenced achievement test in reading, language arts and mathematics, except that the superintendent of public instruction may determine additional grade levels for which pupils are tested. The tests shall be consistent with the state standards and shall be administered during the spring of each year between March 15 and May 1.

~~4.~~ 3. Ensure that the tests prescribed in this section are uniform throughout the state.

~~5.~~ 4. Ensure that the tests prescribed in this section are able to be scored in an objective manner and that the tests are not intended to advocate any sectarian, partisan or denominational viewpoint.

~~6.~~ 5. Ensure that the results of the nationally standardized norm-referenced achievement tests established as provided in this article are comparable to associated grade equivalents, percentiles and stanines derived from a multistate sample.

~~7.~~ 6. Include within its budget all costs pertaining to the tests prescribed in this article. If sufficient monies are appropriated, the state

1 board may provide norm-referenced achievement test services to school
2 districts which request assistance in testing pupils in grades additional to
3 those required by this section.

4 ~~8-~~ 7. Use subtests of the statewide nationally standardized
5 norm-referenced achievement test as designated by the state board to assess
6 pupils in reading, language arts and mathematics, at a level appropriate for
7 their grade level.

8 ~~9-~~ 8. Survey teachers, principals and superintendents on achievement
9 related nontest indicators, including information on graduation rates by
10 ethnicity and dropout rates by ethnicity for each grade level. Before the
11 survey, the state board of education shall approve at a public meeting the
12 nontest indicators on which data will be collected. In conducting the survey
13 and collecting data, the state board of education shall not violate the
14 provisions of the family educational rights and privacy act (P.L. 93-380), as
15 amended, nor disclose personally identifiable information.

16 ~~10-~~ 9. Establish a fair and consistent method and standard by which
17 norm-referenced test scores from schools in a district may be evaluated
18 taking into consideration demographic data. The board shall establish
19 intervention strategies to assist schools with scores below the acceptable
20 standard. The board shall annually review district and school scores and
21 shall offer assistance to school districts in analyzing data and implementing
22 intervention strategies. The board shall use the adopted norm-referenced
23 test and methods of data evaluation for a period of at least ten years.

24 ~~11-~~ 10. Participate in other assessments that provide national
25 comparisons as needed.

26 B. The standardized norm-referenced achievement tests adopted by the
27 state board as provided in subsection A shall be given annually. The tests
28 shall be administered over a one week period between March 15 and May 1.
29 Nontest indicator data and other information shall be collected at the same
30 time as the collection of standardized norm-referenced achievement test data.

31 C. Local school district governing boards shall:

32 1. Administer the tests prescribed in subsection A.

33 2. Survey teachers, principals and superintendents on achievement
34 related nontest indicator data as required by the state board including
35 information related to district graduation and dropout rates. In conducting
36 the survey and collecting data, the governing board shall not violate the
37 provisions of the family educational rights and privacy act (P.L. 93-380), as
38 amended, nor disclose personally identifiable information.

39 D. A test for penmanship shall not be required pursuant to this
40 article.

41 Sec. 8. Section 15-743, Arizona Revised Statutes, is amended to read:

42 ~~15-743.~~ Test results; annual report

43 A. The state board of education shall provide annual reports for every
44 school and district and the state as a whole. The state board shall annually
45 submit these reports to school districts, the legislature and the county

1 school superintendents and shall make them available to the public. The
2 state board shall publish and distribute the reports by September 1 and shall
3 also provide a cumulative summary of the reports every five years. The
4 annual reports and cumulative summary results shall include:

5 ~~1. Average and range scores on the Arizona instrument to measure~~
6 ~~standards test.~~

7 ~~2.~~ 1. Standardized test scores by subject area according to
8 percentiles and stanines for the school, school district, county, state and
9 nation.

10 ~~3.~~ 2. Achievement related nontest indicator data collected in the
11 survey of teachers, principals and superintendents as required by section
12 15-741, including information related to dropout rates by ethnicity for each
13 grade level and graduation rates and postsecondary employment and education
14 by ethnicity. In reporting such data, the state board of education shall not
15 violate the provisions of the family educational rights and privacy act (P.L.
16 93-380), as amended, nor disclose personally identifiable information.

17 ~~4.~~ 3. The numbers of pupils who have completed the academic standards
18 at grades three, eight and twelve.

19 B. Test results on individual pupils shall not be made available to
20 the public by name or individually identifiable reference.

21 C. The state board shall provide a copy of the results from the tests
22 prescribed in section 15-741, subsection A for each school district to that
23 school district. No results may be released to the public until ten days
24 after the reports are provided to each school district.

25 D. The state board shall provide each school district participating in
26 the testing program with a copy of each pupil's standardized norm-referenced
27 test scores in reading, language arts and mathematics, and the associated
28 ~~grade equivalents,~~ percentiles and stanines for the school, school district,
29 county, state and nation, a report of pupil progress on an ongoing and annual
30 basis, showing the trends in gain or loss in pupil achievement over time in
31 reading, language arts and mathematics for all years in which pupils are
32 enrolled in the school district for an entire school year and for which this
33 information is available and a report of the pupil progress for pupils not
34 enrolled in a district for an entire school year. ~~The state board shall also~~
35 ~~provide each school district with each pupil's Arizona instrument to measure~~
36 ~~standards test scores and the Arizona instrument to measure standards test~~
37 ~~scores for the school, district, county and state.~~

38 E. The school district shall provide a parent or guardian of each
39 pupil participating in the standardized norm-referenced testing part of the
40 program with a copy of the pupil's score in reading, language arts and
41 mathematics, and the percentiles and stanines. ~~The school district shall~~
42 ~~provide a parent or guardian of each pupil with a copy of the pupil's scores~~
43 ~~on the Arizona instrument to measure standards test and the associated scores~~
44 ~~for the school, district, county and state.~~ The school district shall make

1 available to the public through the reports those scores for each school in
2 the district and for the school district, county, state and nation.

3 ~~F. Each pupil's Arizona instrument to measure standards test results~~
4 ~~for grade twelve shall be recorded on the pupil's high school~~
5 ~~transcript. The state board of education shall prescribe the format for~~
6 ~~recording Arizona instrument to measure standards test results on high school~~
7 ~~transcripts.~~

8 Sec. 9. Section 15-746, Arizona Revised Statutes, is amended to read:
9 15-746. School report cards

10 A. Each school shall distribute an annual report card that contains at
11 least the following information:

12 1. A description of the school's regular, magnet and special
13 instructional programs.

14 2. A description of the current academic goals of the school.

15 3. A summary of the results achieved by pupils enrolled at the school
16 during the prior three school years as measured by ~~the Arizona instrument to~~
17 ~~measure standards test and~~ the nationally standardized norm-referenced
18 achievement test as designated by the state board and as reported in the
19 annual report prescribed by section 15-743, a summary of the pupil progress
20 on an ongoing and annual basis, showing the trends in gain or loss in pupil
21 achievement over time in reading, language arts and mathematics for all years
22 in which pupils are enrolled in the school district for an entire school year
23 and for which this information is available and a summary of the pupil
24 progress for pupils not enrolled in a district for an entire school year.

25 4. The school's current expenditures per pupil for classroom supplies,
26 classroom instruction excluding classroom supplies, administration, support
27 services-students, and all other support services and operations. The
28 current expenditures per pupil by school shall include allocation of the
29 district-wide expenditures to each school, as provided by the district. The
30 report shall include a comparison of the school to the state amount for a
31 similar type of district as calculated in section 15-255. The method of
32 calculating these per pupil amounts and the allocation of expenditures shall
33 be as prescribed in the uniform system of financial records.

34 5. The attendance rate of pupils enrolled at the school as reflected
35 in the school's average daily membership as defined in section 15-901.

36 6. The total number of incidents that occurred on the school grounds,
37 at school bus stops, on school buses and at school sponsored events and that
38 required the contact of a local, county, tribal, state or federal law
39 enforcement officer pursuant to section 13-3411, subsection F, section
40 13-3620, section 15-341, subsection A, paragraph 33 or section 15-515. The
41 total number of incidents reported shall only include reports that law
42 enforcement officers report to the school are supported by probable
43 cause. For the purposes of this paragraph, a certified peace officer who
44 serves as a school resource officer is a law enforcement officer. A school

1 may provide clarifying information if the school has a school resource
2 officer on campus.

3 7. The percentage of pupils who have either graduated to the next
4 grade level or graduated from high school.

5 8. A description of the social services available at the school site.

6 9. The school calendar, including the length of the school day and
7 hours of operations.

8 10. The total number of pupils enrolled at the school during the
9 previous school year.

10 11. The transportation services available.

11 12. Beginning in the 2000-2001 school year and until July 1, 2006, the
12 reading instruction programs used by the school for kindergarten programs and
13 grades one, two and three, pursuant to section 15-704. The report card shall
14 include a district comparison of test scores among the different programs of
15 reading instruction and shall identify the program of reading instruction
16 used in each classroom.

17 13. A description of the responsibilities of parents of children
18 enrolled at the school.

19 14. A description of the responsibilities of the school to the parents
20 of the children enrolled at the school, including dates the report cards are
21 delivered to the home.

22 15. A description of the composition and duties of the school council
23 as prescribed in section 15-351 if such a school council exists.

24 16. For the most recent year available, the average current expenditure
25 per pupil for administrative functions compared to the predicted average
26 current expenditure per pupil for administrative functions according to an
27 analysis of administrative cost data by the joint legislative budget
28 committee staff.

29 17. If the school provides instruction to pupils in kindergarten
30 programs and grades one through three, the ratio of pupils to teachers in
31 each classroom where instruction is provided in kindergarten programs and
32 grades one through three.

33 18. The average class size per grade level for all grade levels,
34 kindergarten programs and grades one through eight. For the purposes of this
35 paragraph, "average class size" means the weighted average of each class.

36 B. The department of education shall develop a standardized report
37 card format that meets the requirements of subsection A of this section. The
38 department shall modify the standardized report card as necessary on an
39 annual basis. The department shall distribute to each school in this state a
40 copy of the standardized report card that includes the required test scores
41 for each school. Additional copies of the standardized report card shall be
42 available on request.

43 C. After each school has completed the report card distributed to it
44 by the department of education, the school, in addition to distributing the
45 report card as prescribed in subsection A of this section, shall send a copy

1 of the report card to the department. The department shall prepare an annual
2 report that contains the report card from each school in this state.

3 D. The school shall distribute report cards to parents of pupils
4 enrolled at the school, no later than the last day of school of each fiscal
5 year, and shall present a summary of the contents of the report cards at an
6 annual public meeting held at the school. The school shall give notice at
7 least two weeks before the public meeting that clearly states the purposes,
8 time and place of the meeting.

9 Sec. 10. Section 15-763, Arizona Revised Statutes, is amended to read:

10 15-763. Plan for providing special education; definition

11 A. All school districts and charter schools shall develop policies and
12 procedures for providing special education to all children with disabilities
13 within the district or charter school. All children with disabilities shall
14 receive special education programming commensurate with their abilities and
15 needs. Each child shall be ensured access to the general curriculum and an
16 opportunity to meet the state's academic standards. ~~Pupils who receive~~
17 ~~special education shall not be required to achieve passing scores on the~~
18 ~~Arizona instrument to measure standards test in order to graduate from high~~
19 ~~school unless the pupil is learning at a level appropriate for the pupil's~~
20 ~~grade level in a specific academic area and unless a passing score on the~~
21 ~~Arizona instrument to measure standards test is specifically required in a~~
22 ~~specific academic area by the pupil's individualized education program as~~
23 ~~mutually agreed on by the pupil's parents and the pupil's individualized~~
24 ~~education program team or the pupil, if the pupil is at least eighteen years~~
25 ~~of age.~~ The pupil's individualized education program shall include any
26 necessary testing accommodations. Special education services shall be
27 provided at no cost to the parents of children with disabilities.

28 B. The state board of education shall adopt guidelines to define a
29 parent's or guardian's role or a pupil's role, if the pupil is at least
30 eighteen years of age, in the development of a pupil's section 504 plan as
31 defined in section 15-731, including testing and testing accommodations.

32 C. For the purposes of determining the services to pupils served by
33 private schools under existing federal law, the state shall consider the term
34 to include home schooled pupils.

35 D. If federal monies are provided to a school district or a charter
36 school for special education services to home schooled or private schooled
37 pupils, the school district or charter school shall provide the services to
38 both the home schooled pupils and the private schooled pupils in the same
39 manner.

40 E. For the purposes of this section, "special education" has the same
41 meaning prescribed in section 15-1201.

1 Sec. 11. Section 15-809, Arizona Revised Statutes, is amended to read:

2 15-809. Dropout prevention program; program termination;
3 definition

4 A. The department of education shall establish ~~an AIMS intervention~~
5 ~~and~~ A dropout prevention program. The department of education shall develop
6 application procedures, selection criteria and minimum performance standards
7 for service providers that wish to participate in the program. Service
8 providers that receive monies to participate in the program shall demonstrate
9 that their dropout prevention program is offered in the public schools in
10 this state and meets all of the following requirements:

11 1. Serves at-risk pupils in grade seven, eight, nine, ten, eleven or
12 twelve and for twelve months following the pupil's exit from the program.

13 2. Serves pupils who both:

14 (a) Are most likely to drop out of high school without graduating.

15 (b) Have documented academic, personal or vocational barriers to
16 success in high school and the workplace.

17 3. Consists of all of the following for each participating pupil:

18 (a) At least nine consecutive months of academic support, including
19 tutoring and remediation, to ensure that participating pupils meet the
20 academic standards adopted by the state board of education.

21 (b) Comprehensive instruction on Arizona workplace skills adopted by
22 the state board of education.

23 (c) Instruction on leadership and civic duty.

24 4. Requires pupils who participate in the program to earn credits
25 toward graduation from high school. Pupils who participate in the program
26 shall perform volunteer activities or community service or shall be engaged
27 in employment during summer vacation periods. Each pupil who participates in
28 the program shall continue to participate in the program for twelve months
29 after graduation from high school during which the service provider shall
30 provide follow-up assistance that is designed to assist the pupil's
31 transition to postsecondary education, vocational or job training, military
32 service or employment. A participating school district may develop a dual
33 credit course program in order to meet the requirements of this paragraph.

34 B. The service providers selected to participate in the ~~AIMS~~
35 ~~intervention and~~ dropout prevention program shall annually report at least
36 the following information to the department of education:

37 1. The percentage of pupils who participate in the program and who
38 graduate from high school or obtain a general equivalency degree on or within
39 twelve months after the scheduled graduation date for the pupil's classmates.

40 2. The percentage of pupils who participate in the program, who
41 graduate from high school or obtain a general equivalency degree and who
42 begin participation in postsecondary education, employment, vocational or job
43 training or military service within twelve months after the scheduled
44 graduation date for the pupil's classmates.

3. The percentage of pupils who participate in the program and who are either enrolled full time at a postsecondary education institution, employed full time, enrolled in a full-time vocational or job training program or on active duty in the armed forces of the United States, or any combination of these activities that in totality amounts to full-time activity, within twelve months after the scheduled graduation date for the pupil's classmates.

~~4. The percentage of pupils who participate in the program and who pass each AIMS component.~~

C. The department of education shall contract with a private entity to conduct an annual performance audit of the ~~AIMS intervention and~~ dropout prevention program.

D. Beginning in 2001, the department of education shall submit an annual report concerning the ~~AIMS intervention and~~ dropout prevention program to the governor, the president of the senate and the speaker of the house of representatives by December 15 that includes an evaluation of the effectiveness of the program. The department of education shall provide a copy of the report to the secretary of state and the director of the Arizona state ~~department of~~ library, archives and public records.

E. The department of education may use monies appropriated by the legislature for the ~~AIMS intervention and~~ dropout prevention program to purchase materials designed to assist students to meet the ~~Arizona~~ academic standards ~~and to achieve a passing score on the AIMS~~ ESTABLISHED BY THE STATE BOARD OF EDUCATION.

F. The program established by this section ends on July 1, 2010, pursuant to section 41-3102.

G. For the purposes of this section, ~~:-~~

~~1. "AIMS" means the Arizona instrument to measure standards test prescribed in section 15-741.~~

~~2.~~ "service providers" means all of the following:

~~(a)~~ 1. Public agencies, including schools and school districts, that have demonstrated documented success in delivering dropout prevention services as prescribed in this section.

~~(b)~~ 2. Private entities that are certified by the department of education and that have demonstrated documented success in delivering dropout prevention services as prescribed in this section.

Sec. 12. Section 15-977, Arizona Revised Statutes, is amended to read:

15-977. Classroom site fund; definition

A. The classroom site fund is established consisting of monies transferred to the fund pursuant to section 37-521, subsection B and section 42-5029, subsection E, paragraph 10. The department of education shall administer the fund. School districts and charter schools may not supplant existing school site funding with revenues from the fund. All monies distributed from the fund are intended for use at the school site. Each school district or charter school shall allocate forty per cent of the monies for teacher compensation increases based on performance and employment

1 related expenses, twenty per cent of the monies for teacher base salary
2 increases and employment related expenses and forty per cent of the monies
3 for maintenance and operation purposes as prescribed in subsection H of this
4 section. Teacher compensation increases based on performance or teacher base
5 salary increases distributed pursuant to this subsection shall supplement,
6 and not supplant, teacher compensation monies from any other sources. The
7 school district or charter school shall notify each school principal of the
8 amount available to the school by April 15 OF EACH YEAR. The district or
9 charter school shall request from the school's principal each school's
10 priority for the allocation of the funds available to the school for each
11 program listed under subsection H of this section. The amount budgeted by the
12 school district or charter school pursuant to this section shall not be
13 included in the allowable budget balance carryforward calculated pursuant to
14 section 15-943.01.

15 B. A school district governing board must adopt a performance based
16 compensation system at a public hearing to allocate funding from the
17 classroom site fund pursuant to subsection A of this section.

18 C. A school district governing board shall vote on a performance based
19 compensation system that includes the following elements:

- 20 1. School district performance and school performance.
- 21 2. Measures of academic progress toward the academic standards adopted
22 by the state board of education.
- 23 3. Other measures of academic progress.
- 24 4. Dropout or graduation rates.
- 25 5. Attendance rates.
- 26 6. Ratings of school quality by parents.
- 27 7. Ratings of school quality by students.
- 28 8. The input of teachers and administrators.
- 29 9. Approval of the performance based compensation system based on an
30 affirmative vote of at least seventy per cent of the teachers eligible to
31 participate in the performance based compensation system.
- 32 10. An appeals process for teachers who have been denied performance
33 based compensation.
- 34 11. Regular evaluation for effectiveness.

35 D. A performance based compensation system shall include teacher
36 professional development programs that are aligned with the elements of the
37 performance based compensation system.

38 E. A school district governing board may modify the elements contained
39 in subsection C of this section and consider additional elements when
40 adopting a performance based compensation system. A school district
41 governing board shall adopt any modifications or additional elements and
42 specify the criteria used at a public hearing.

43 F. Until December 31, 2009, each school district shall develop an
44 assessment plan for its performance based compensation system and submit the
45 plan to the department of education by December 31 of each year. A copy of

the performance based compensation system and assessment plan adopted by the school district governing board shall be included in the report submitted to the department of education.

G. Monies in the fund are continuously appropriated, are exempt from the provisions of section 35-190 relating to lapsing of appropriations and shall be distributed as follows:

1. By March 30 of each year the staff of the joint legislative budget committee shall determine a per pupil amount from the fund for the budget year using the estimated statewide weighted count for the current year pursuant to section 15-943, paragraph 2, subdivision (a) and based on estimated available resources in the classroom site fund for the budget year.

2. The allocation to each charter school and school district for a fiscal year shall equal the per pupil amount established in paragraph 1 of this subsection for the fiscal year multiplied by the weighted student count for the school district or charter school for the fiscal year pursuant to section 15-943, paragraph 2, subdivision (a). For the purposes of this paragraph, the weighted student count for a school district that serves as the district of attendance for nonresident pupils shall be increased to include nonresident pupils who attend school in the school district.

H. Monies distributed from the classroom site fund shall be spent for the following maintenance and operation purposes:

1. Class size reduction.

2. Teacher compensation increases.

~~3. AIMS intervention programs.~~

~~4.~~ 3. Teacher development.

~~5.~~ 4. Dropout prevention programs.

~~6.~~ 5. Teacher liability insurance premiums.

I. The district governing board or charter school shall allocate the classroom site fund monies to include, wherever possible, the priorities identified by the principals of the schools while assuring that the funds maximize classroom opportunities and conform to the authorized expenditures identified in subsection A of this section.

J. School districts and charter schools that receive monies from the classroom site fund shall submit a report by November 15 of each year to the superintendent of public instruction on a per school basis that provides an accounting of the expenditures of monies distributed from the fund during the previous fiscal year and a summary of the results of district and school programs funded with monies distributed from the fund. The department of education in conjunction with the auditor general shall prescribe the format of the report under this subsection.

K. School districts and charter schools that receive monies from the classroom site fund shall receive these monies monthly in an amount not to exceed one-twelfth of the monies estimated pursuant to subsection G of this section, except that if there are insufficient monies in the fund that month to make payments, the distribution for that month shall be prorated for each

1 school district or charter school. The department of education may make an
2 additional payment in the current month for any prior month or months in
3 which school districts or charter schools received a prorated payment if
4 there are sufficient monies in the fund that month for the additional
5 payments. The state is not required to make payments to a school district or
6 charter school classroom site fund if the state classroom site fund revenue
7 collections are insufficient to meet the estimated allocations to school
8 districts and charter schools pursuant to subsection G of this section.

9 L. The state education system for committed youth shall receive monies
10 from the classroom site fund in the same manner as school districts and
11 charter schools. The Arizona state schools for the deaf and the blind shall
12 receive monies from the classroom site fund in an amount that corresponds to
13 the weighted student count for the current year pursuant to section 15-943,
14 paragraph 2, subdivision (b) for each pupil enrolled in the Arizona state
15 schools for the deaf and the blind. Except as otherwise provided in this
16 subsection, the Arizona state schools for the deaf and the blind and the
17 state education system for committed youth are subject to this section in the
18 same manner as school districts and charter schools.

19 M. Each school district and charter school, including school districts
20 that unify pursuant to section 15-448 or consolidate pursuant to section
21 15-459, shall establish a local level classroom site fund to receive
22 allocations from the state level classroom site fund. The local level
23 classroom site fund shall be a budgetary controlled account. Interest charges
24 for any registered warrants for the local level classroom site fund shall be
25 a charge against the local level classroom site fund. Interest earned on
26 monies in the local level classroom site fund shall be added to the local
27 level classroom site fund as provided in section 15-978. In no event shall
28 this state be required to make payments to a school district or charter
29 school local level classroom site fund that are in addition to monies
30 transferred to the state level classroom site fund pursuant to section
31 37-521, subsection B and section 42-5029, subsection E, paragraph 10.

32 N. Monies distributed from the classroom site fund for class size
33 reduction, ~~AIMS intervention~~ and dropout prevention programs shall only be
34 used for instructional purposes in the instruction function as defined in the
35 uniform system of financial records, except that monies shall not be used for
36 school sponsored athletics.

37 0. For the purposes of this section, ~~+~~

38 ~~1. "AIMS intervention" means summer programs, after school programs,~~
39 ~~before school programs or tutoring programs that are specifically designed to~~
40 ~~ensure that pupils meet the Arizona academic standards as measured by the~~
41 ~~Arizona instrument to measure standards test prescribed by section 15-741.~~

42 ~~2.~~ "class size reduction" means any maintenance and operations
43 expenditure that is designed to reduce the ratio of pupils to classroom
44 teachers, including the use of persons who serve as aides to classroom
45 teachers.

1 Sec. 13. Section 43-1183, Arizona Revised Statutes, is amended to
2 read:

3 43-1183. Credit for contributions to school tuition
4 organization; definitions

5 A. Beginning from and after June 30, 2006 through June 30, 2011, a
6 credit is allowed against the taxes imposed by this title for the amount of
7 voluntary cash contributions made by the taxpayer during the taxable year to
8 a school tuition organization.

9 B. The amount of the credit is the total amount of the taxpayer's
10 contributions for the taxable year under subsection A of this section and is
11 preapproved by the department pursuant to subsection D of this section.

12 C. The department:

13 1. Shall not allow tax credits under this section that exceed in the
14 aggregate, a combined total of ten million dollars in any fiscal year.
15 Beginning in fiscal year 2007-2008, the aggregate amount of the tax credit
16 cap from the previous fiscal year shall be annually increased by twenty per
17 cent.

18 2. Shall preapprove tax credits subject to subsection D of this
19 section.

20 3. Shall allow the tax credits on a first come, first served basis.

21 D. For the purposes of subsection C, paragraph 2 of this section,
22 before making a contribution to a school tuition organization, the taxpayer
23 shall notify the school tuition organization of the total amount of
24 contributions that the taxpayer intends to make to the school tuition
25 organization. Before accepting the contribution, the school tuition
26 organization shall request preapproval from the department for the taxpayer's
27 intended contribution amount. The department shall preapprove or deny the
28 requested amount within twenty days after receiving the request from the
29 school tuition organization. If the department preapproves the request, the
30 school tuition organization shall immediately notify the taxpayer that the
31 requested amount was preapproved by the department. In order to receive a
32 tax credit under this subsection, the taxpayer shall make the contribution to
33 the school tuition organization within ten days after receiving notice from
34 the school tuition organization that the requested amount was
35 preapproved. If the school tuition organization does not receive the
36 preapproved contribution from the taxpayer within the required ten days, the
37 school tuition organization shall immediately notify the department and the
38 department shall no longer include this preapproved contribution amount when
39 calculating the limit prescribed in subsection C, paragraph 1 of this
40 section.

41 E. A school tuition organization that receives contributions under
42 this section shall allow the department to verify that the educational
43 scholarships and tuition grants that are issued pursuant to this section are
44 awarded to students who attend a qualified school.

1 F. If the allowable tax credit exceeds the taxes otherwise due under
2 this title on the claimant's income, or if there are no taxes due under this
3 title, the taxpayer may carry the amount of the claim not used to offset the
4 taxes under this title forward for not more than five consecutive taxable
5 years' income tax liability.

6 G. Co-owners of a business, including corporate partners in a
7 partnership, may each claim only the pro rata share of the credit allowed
8 under this section based on the ownership interest. The total of the credits
9 allowed all such owners may not exceed the amount that would have been
10 allowed a sole owner.

11 H. The credit allowed by this section is in lieu of any deduction
12 pursuant to section 170 of the internal revenue code and taken for state tax
13 purposes.

14 I. The tax credit is not allowed if the taxpayer designates the
15 taxpayer's contribution to the school tuition organization for the direct
16 benefit of any specific student.

17 J. A school tuition organization that receives contributions under
18 this section shall use at least ninety per cent of those contributions to
19 provide educational scholarships or tuition grants only to children whose
20 family income does not exceed one hundred eighty-five per cent of the income
21 limit required to qualify a child for reduced price lunches under the
22 national school lunch and child nutrition acts (42 United States Code
23 sections 1751 through 1785) and who either:

24 1. Attended a governmental primary or secondary school as a full-time
25 student as defined in section 15-901 for at least the first one hundred days
26 of the prior fiscal year and transferred from a governmental primary or
27 secondary school to a qualified school.

28 2. Enroll in a qualified school in a kindergarten program.

29 3. Received an educational scholarship or tuition grant under
30 paragraph 1 or 2 of this subsection if the children continue to attend a
31 qualified school in a subsequent year.

32 K. In 2006, a school tuition organization shall not issue an
33 educational scholarship or a tuition grant in an amount that exceeds four
34 thousand two hundred dollars for students in a kindergarten program or grades
35 one through eight or five thousand five hundred dollars for students in
36 grades nine through twelve. In each year after 2006, the limitation amount
37 for a scholarship or a grant under this subsection shall be increased by one
38 hundred dollars.

39 L. A child is still eligible to receive an educational scholarship or
40 tuition grant under subsection J of this section if the child meets the
41 criteria to receive a reduced price lunch but does not actually claim that
42 benefit.

43 M. The school tuition organization shall require that the children use
44 the educational scholarships or tuition grants on a full-time basis. If a
45 child leaves the qualified school before completing an entire school year,

1 the qualified school shall refund a prorated amount of the educational
2 scholarship or tuition grant to the school tuition organization that issued
3 the educational scholarship or tuition grant to the child. Any refunds
4 received by the school tuition organization under this subsection shall be
5 allocated for educational scholarships or tuition grants to qualified
6 children in the following year.

7 N. Children who receive educational scholarships or tuition grants
8 under this section shall be allowed to attend any qualified school of their
9 parents' choice.

10 O. A school tuition organization that receives a voluntary cash
11 contribution pursuant to subsection A of this section shall report to the
12 department, in a form prescribed by the department, by June 30 of each year
13 the following information:

14 1. The name, address and contact name of the school tuition
15 organization.

16 2. The total number of contributions received during the previous
17 calendar year.

18 3. The total dollar amount of contributions received during the
19 previous calendar year.

20 4. The total number of children awarded educational scholarships or
21 tuition grants during the previous calendar year.

22 5. The total dollar amount of educational scholarships and tuition
23 grants awarded during the previous calendar year.

24 6. For each school to which educational scholarships or tuition grants
25 were awarded:

26 (a) The name and address of the school.

27 (b) The number of educational scholarships and tuition grants awarded
28 during the previous calendar year.

29 (c) The total dollar amount of educational scholarships and tuition
30 grants awarded during the previous calendar year.

31 7. Verification that an independent review of financial statements
32 according to generally accepted accounting principles was completed by a
33 certified public accountant for the previous calendar year.

34 P. The department shall adopt rules necessary for the administration
35 of this section.

36 Q. For the purposes of this section:

37 1. "Qualified school" means a nongovernmental primary school or
38 secondary school:

39 (a) That is located in this state, that does not discriminate on the
40 basis of race, color, handicap, familial status or national origin and that
41 satisfies the requirements prescribed by law for private schools in this
42 state on January 1, 2005.

43 (b) That annually administers and makes available to the public the
44 aggregate test scores of its students on a nationally standardized

1 norm-referenced achievement test, ~~preferably the Arizona instrument to~~
2 ~~measure standards test~~ administered pursuant to section 15-741.

3 (c) That requires all teaching staff and any personnel that have
4 unsupervised contact with students to be fingerprinted.

5 2. "School tuition organization" means a charitable organization in
6 this state that both:

7 (a) Is exempt from federal taxation under section 501(c)(3) of the
8 internal revenue code and that allocates ninety per cent of its annual
9 revenue for educational scholarships or tuition grants to children to allow
10 them to attend any qualified school of their parents' choice.

11 (b) Provides educational scholarships or tuition grants to students
12 without limiting availability to only students of one school.

13 Sec. 14. Arizona instrument to measure standards test;
14 prohibition

15 A school district or charter school shall not administer the Arizona
16 instrument to measure standards test to any pupil after the effective date of
17 this act.